

TIR 15-10: Interest Rate on Overpayments and Underpayments

The Department of Revenue is issuing this Technical Information Release (TIR) to announce the quarterly interest rate on overpayments and underpayments determined by the Department of Revenue pursuant to G.L. c. 62C, §§ 32 and 40, as amended. The interest rate on overpayments and underpayments was the same for periods prior to July 1, 2003. An amendment to G.L. c. 62C, § 40, contained in the FY '04 Budget, St. 2003, c. 26, § 196, reduces the interest rate paid by the Department on overpayments. Effective July 1, 2003, the interest rate on overpayments is the Federal short-term rate determined under § 6621(b) of the Internal Revenue Code, as amended and in effect for the taxable year ("Federal short-term rate") plus two percentage points, simple interest. The rate for underpayments pursuant to G.L. c. 62C, § 32, remains at the Federal short-term rate plus four percentage points, compounded daily. G.L. c. 62C, § 32(f) may reduce the rate of interest accruing on a deficiency assessment where the audit resulting in the deficiency assessment was commenced after July 1, 2011. See Technical Information Release 11-6, Tax Changes Contained in the Fiscal Year 2012 Budget.

2015 (entire year)	<u>Overpayments</u> 2%	<u>Underpayments</u> 4%
2014 (entire year)	<u>Overpayments</u> 2%	<u>Underpayments</u> 4%
2013 (entire year)	<u>Overpayments</u> 2%	<u>Underpayments</u> 4%
2012 (entire year)	<u>Overpayments</u> 2%	<u>Underpayments</u> 4%
2011	First quarter <u>Overpayments</u> 2%	<u>Underpayments</u> 4%
	Second quarter <u>Overpayments</u> 3%	<u>Underpayments</u> 5%
	Third quarter <u>Overpayments</u> 3%	<u>Underpayments</u> 5%
	Fourth quarter <u>Overpayments</u> 2%	<u>Underpayments</u> 4%
2010 (entire year)	<u>Overpayments</u> 3%	<u>Underpayments</u> 5%
2009	First quarter <u>Overpayments</u> 4%	<u>Underpayments</u> 6%
	Second quarter <u>Overpayments</u> 3%	<u>Underpayments</u> 5%
	Third quarter	

	<u>Overpayments</u> 3%	<u>Underpayments</u> 5%
	Fourth quarter <u>Overpayments</u> 3%	<u>Underpayments</u> 5%
2008	First quarter <u>Overpayments</u> 6%	<u>Underpayments</u> 8%
	Second quarter <u>Overpayments</u> 5%	<u>Underpayments</u> 7%
	Third quarter <u>Overpayments</u> 4%	<u>Underpayments</u> 6%
	Fourth quarter <u>Overpayments</u> 5%	<u>Underpayments</u> 7%
2007 (entire year)	<u>Overpayments</u> 7%	<u>Underpayments</u> 9%
2006	First quarter <u>Overpayments</u> 6%	<u>Underpayments</u> 8%
	Second quarter <u>Overpayments</u> 6%	<u>Underpayments</u> 8%
	Third quarter <u>Overpayments</u> 7%	<u>Underpayments</u> 9%
	Fourth quarter <u>Overpayments</u> 7%	<u>Underpayments</u> 9%
2005	First quarter <u>Overpayments</u> 4%	<u>Underpayments</u> 6%
	Second quarter <u>Overpayments</u> 5%	<u>Underpayments</u> 7%
	Third quarter <u>Overpayments</u> 5%	<u>Underpayments</u> 7%
	Fourth quarter	

	<u>Overpayments</u> 6%	<u>Underpayments</u> 8%
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The above rates may change quarterly. See TIR 92-6 for an explanation of statutory changes in interest and penalties effective January 1, 1993 and 830 CMR 62C.33.1: Interest, Penalties, and Application of Payments.

/s/Mark E. Nunnelly

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Commissioner of Revenue

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